JANICE K. BREWER Governor



WILLIAM BELL Director

ARIZONA DEPARTMENT OF ADMINISTRATION

STATE PROCUREMENT OFFICE

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April 8, 2009

State of Arizona Cooperative Procurement Members,

Effective July 1, 2009, the State of Arizona will be modifying its Cooperative Procurement Administrative Fee policy. State contractors will begin to remit to the State of Arizona an Administrative Fee of 1% for procurements made by eligible Cooperative Procurement Members. Contract pricing will remain unchanged and the Administrative Fee will not be added to your invoices as a separate billing item. Based upon this new policy, the State will *not* be issuing invoices for the payment of the customary flat Annual Administrative Fee (\$1095).

We believe this policy change will allow the State to sustain its Cooperative Procurement Program and provide increased value and service through a new E-procurement system. If you should have specific questions on this policy change, or suggestions for improvement of the State of Arizona's Cooperative Procurement Program, please feel free to contact me directly. Thank you.

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